

WHITMAN RIDDLES DOUGHERTY DEFENCE

How, if Any, Arrests of Wire-tappers, He Says, Before Rosenthal Murder.

INQUIRY FOR LIST FAILS

Deputy Said to Take Credit for Work Done by District Attorney.

Deputy Police Commissioner Dougherty's defense of the activities of the police against wiretappers and his statement that if any wiretappers paid money to the police for protection they didn't get it, brought from District Attorney Whitman yesterday the comment that if the police made any arrests of wiretappers they might be few of them. Mr. Dougherty's statement, printed in THE SUN yesterday, mentioned only arrests since the Rosenthal murder. An inquiry went to Police Headquarters to ask Mr. Dougherty for a list of the wiretappers arrested before the Rosenthal murder. It was early in the afternoon, but Mr. Dougherty, it was said, had gone for the day. So had his secretary. A clerk in the Deputy Commissioner's office was asked for the list of arrests, if any, of wiretappers. He referred the inquiry to Inspector Faurot, in charge of the detective bureau.

Inspector Faurot referred the seeker to Commissioner Waldo. At Mr. Waldo's office it was said that Mr. Waldo had gone for the day, but the Commissioner's secretary, Winfield Sheehan, was there. It was explained to Mr. Sheehan that the newspapers had printed Mr. Dougherty's defense of the police and that in view of Mr. Dougherty's readiness to give out a list of arrests since the Rosenthal murder caused a ripple in the police, it was only a fair inference that he would be willing to list of arrests made before.

Mr. Sheehan explained that the Police Department records are not accessible to the public and that he doubted very much if Mr. Dougherty would publish such a list.

District Attorney Whitman was asked if he had such a list. He said he had not, but that if he had it would be very short.

The activities of the police against the wiretappers before the Rosenthal murder were not visible to the public, said Mr. Whitman.

Some of Mr. Whitman's assistants said that Commissioner Dougherty's statement was so full of holes that a coach and four could be driven through it.

Commissioner Dougherty, it was pointed out, seemed to take great pride in his statement that Detective Edmund Leigh, attached to this department, but assigned to the office of the District Attorney, had arrested George McLean. That Leigh is a member of the Police Department is admitted, but the Commissioner Dougherty or any of his officials of the Detective Bureau should take credit for McLean's arrest is not true, it was said.

High wages under the direction of the District Attorney, he was sent to Los Angeles by Mr. Whitman, and when he got there he saw McLean and arrested him.

The other wire tappers who have confessed to paying protection have told their stories long before McLean was arrested, and his information was needed before a case against any police officials could be made out.

Since the investigation into wire tapping protection many victims, including several women, have communicated with the District Attorney, Mr. Whitman hopes to have outside corroboration of the stories told by the wire tappers before Monday, when Curley Carter, Paper Columnist, George McLean and Frank Tarbeaux of the wire tappers and former Captain Donald Riley will appear in response to Grand Jury subpoenas.

Assistant District Attorney Grohlsper, Thursday night in Philadelphia, and his wife said to have been "productive of good results."

Commissioner Dougherty was reached by telephone at his home late last night and asked if he would give a list of the arrests, if any, made before the Rosenthal murder.

"Yes, I'll give it to you at my office tomorrow," Good night," he said, as he hung up the receiver.

"ACCIDENT" SWINDLE CHARGED.

Grand Jury Said to Have Trained Men in Fall Under Tracks.

Two men, who cannot be found now, were charged before the Grand Jury yesterday with heading a fall accident conspiracy which had an intricate arrangement with lawyers, doctors and counting down to defraud transportation companies, and their owners and merchants having delivery trucks.

According to evidence submitted by Assistant District Attorney Minton, the alleged conspirators have collected at least \$25,000 from insurance companies in the last three years by fraudulent claims.

The witnesses before the Grand Jury charged S. Henri Finkel, a lawyer, and Benjamin Landsman, his clerk, with engineering the swindle. Both have disappeared and are thought to be hiding in the West. It is said that seven doctors have confessed to the District Attorney that they have certified false claims of injury and many more "witnesses" to the swindle have told how they gave manufactured testimony.

Each of the evidence presented to Assistant District Attorney Minton was gathered by Frank L. Arnold, secretary of the Alliance Against Accident Frauds. He said that Finkel employed fifty boys and young men and instructed them how to fall under moving vans and delivery wagons while others in his employ were stationed conveniently near to witness the "accident."

When the claims were presented for settlement doctors' certificates of injury accompanied them. Scores of claims were put through, according to information in the District Attorney's hands, before any suspicion of fraud was entertained.

The conspiracy came to light through a check which was stopped by Landsman. The man who attempted to cash the check in revenge, told what he knew to the District Attorney's office.

RAIN DAMPENS NAVAJO REVOLT.

Tribe Spirit Out of Indians as Troops Hurry to Scene.

SANTA FE, N. M., Nov. 21.—With three bands of the Ninth Cavalry speeding through Colorado en route to the Ship Rock agency to subdue 400 rebellious Navajo Indians fortified on Beautiful Mountain, the situation growing out of the Indians' threats to take the warpath was more promising to-day. Although the troops cannot reach the scene until tomorrow or to-morrow, fears of immediate activity by the Indians have been allayed.

Rain fell on Beautiful Mountain last night dampening the spirit of the braves. Although an attempt was made to start the signal fire, to dance the tribal war dances and sing the war songs, the followers of the recalcitrant medicine men did not respond with the usual enthusiasm.

The knowledge that troops are on their way to the reservation has had a sobering effect on the majority of the Indians, who realize the futility of engaging in warfare with the Government.

M'GUIRE NAMES C. F. MURPHY, JR.

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company and talk to them about contracts?"

"I had a conversation with Quinlan. I think he wanted to engage my brother."

"And what were the terms you stated?"

"I can't recall the terms."

"What did you talk about?"

"There was some talk of giving \$5,000 to somebody."

"What was the talk? You heard it. What did you or your brother or Quinlan say as to how much money must be paid of the specifications?"

"That conversation was in Syracuse."

"Well, what was it?"

"I didn't talk with Quinlan about the \$5,000 here."

"Didn't you tell him that he must agree to subscribe \$5,000 to the Democratic State committee and to give you 1 per cent to contractors?"

"I don't recall that I said that to him."

"Did you say that to Condit?" asked Mr. Whitman, referring to Fillmore Condit, Union Oil Company of California.

"There wasn't any talk with him."

"What terms did you lay before him?"

"I didn't have any talk with him in this county."

Talked Over Telephone.

"Did you talk over the telephone to him while he was here?"

"What was he?"

"He wanted to sell oil to contractors and at that time his oil did not conform to specifications."

"What would he try to make terms with you?"

"He wanted to sell more oil and we wanted more commissions."

"He was to make a contribution of \$5,000 (not to me, Mr. Whitman) to the Democratic State committee and, my brother, I can't recall the amount, a commission on sales. It may have been a half a cent a gallon."

"You know Mr. Condit has filed an affidavit with the District Attorney's office?"

"Yes, I've heard he has."

"Didn't you tell him his company wouldn't sell oil unless he gave the \$5,000 and your commissions?"

"No."

"Why should they contribute?"

"Well, I thought if they gave \$5,000 I could negotiate with the State of New York and get their product sold."

"Were you talking on the telephone?"

"I don't recall whether I or my brother talked with Condit or whether he told me."

"Is it true that you spoke to so many dealers that you can't recall whether it was you or your brother?"

"Well, how many?"

"Charged Against Commissions."

"There might have been the United States Asphalt Company, the Warner Quinlan Company and others I don't recall."

"And you offered them all the same terms?"

"The \$5,000 was to be charged against our commissions."

"Then in the end the State was to pay, because the contractors would fix their bids to cover your commissions?"

"I suppose they would."

"Didn't you tell him so?"

"No."

"Didn't you say that in the end the State would be paying the contribution?"

"No."

"Then why this arrangement of terms?"

"There was a possibility that if they made the contribution and paid us our commissions and the contribution was charged against the commissions I could get them sales. I was acting alone. I was not trying to get the contribution for myself. I sold none of their goods. I don't recall if Condit refused the offer, but I gave up the scheme. It was never carried out."

"Do you know it is a crime to solicit a political contribution from a corporation?"

"The contribution was to be charged against the commission."

"Do you know it was a crime?"

"No, I didn't know it was a crime to get the contribution charged against my commission."

"Did the United States Asphalt Company make a contribution?"

"No, I don't know if it did. I got a commission for it, but I can't recall the man I talked with about it."

Tells of Big Oil Sales.

Mr. McGuire finally admitted he might have talked with Mr. Thurber or Mr. Whitney of this company. He said he talked over the telephone, he being in Syracuse and the other men in New York. He then went on to say that in 1912 this company made sales through him and that he sold 100,000 gallons of oil at a commission of one cent on a gallon. He said later on he talked about the contribution, but declared he didn't recall whether he asked for it or merely suggested it as a plan.

"Why did you suggest contribution?"

"I thought I could make more sales. In return for the \$5,000 contribution I could negotiate for more sales of their material."

"How could that be done?"

"Well, in the time of Gov. Hughes there was an alternate specification in which the Highways Commission could designate the kind of material wanted by name. The plan I had in mind was an alternate specification which would describe four or five kinds of material. Two or three of the companies making this material would make contributions and I would

be able to argue the Highways Commission into favoring the material produced by these two or three."

"Didn't you know that was a crime?"

"I didn't get any money, Mr. Whitman. I gave up the plan."

"Did you ever return the \$5,000 to any of these contributors?"

"The contributions were never made, to my knowledge. I gave up the plan. I couldn't get anybody to agree to the alternate specifications. I didn't see any officials on this matter. I concluded to give it up because too many companies were involved and because I concluded it wouldn't be proper to ask the Highways Commission to do it."

"Didn't you call Mr. Condit on the telephone to tell him it must be done or he wouldn't get any business?"

"I don't recall."

"What other company besides the Barber Asphalt Company pays you a commission?"

"The Wadsworth Stone and Paving Company pays me \$1.50 a ton on material sold to the State."

"How much Barber Asphalt Company material did you sell in 1913?"

"As I recall I sold 250,000 gallons at one-half cent a gallon commission."

McGuire said he had received only \$750 from Arthur S. Johnson, the Albany sales agent of the Barber company. This is the amount that went to pay part of the \$2,500 given to John A. Hennessy at Sulzer's request. The witness didn't know about another \$500 item, which appears in the joint bank account he and his brother owned. He said he didn't believe Johnson had paid him at seven different times during the year. Bank slips didn't refresh his memory as to this. He said he could not speak for his brother.

"I have not myself received," he said, "anything direct from the Barber Asphalt Company. They still owe me one-half cent on every gallon of oil or asphalt sold through Johnson."

McGuire testified that he understood his brother, James K., had gone to the West Indies and intended to go to South America. He was sure he had gone, although he couldn't say by what steamer. He said if Mr. Whitman wanted him he would try to get into communication with his brother.

Didn't Know What Brother Got.

He said he didn't know whether or not James K. got commissions from the Dragon Cement Company. He added that he negotiated with the Kentucky Rock Asphalt Company, which is the Wadsworth company, and that he got commissions after that company's material had been specified in the contracts under the Sulzer administration.

Examining the slips from the Syracuse bank in which he and his brother kept their accounts McGuire said he recognized as commission payments only the \$250 from Johnson and \$891.41 from the United States Asphalt Refining Company. He said Johnson and Wadsworth and the United States Asphalt Company still owed him for all sales made by them. He didn't know the amount.

"Then you have received less than \$2,000 and yet you agreed to give back \$5,000 to each contractor out of your commissions?"

"I suggested that."

"Well, if the plan had gone through they would have sold enough to enable me to pay them back out of my commissions."

McGuire said he knew George H. Diehl, a Buffalo engineer, and had spoken to him about the materials in which he was interested. He said he supposed Diehl knew he was getting a commission. He said he also spoke to Mr. Washington, the highway advisory board, about natural asphalt. Diehl is also a member of this board, which advises the Highway Commission on materials to be used in road construction and repairing.

Mr. Whitman tried to get from him an admission that he spoke in order that all other products except those of the Barber people might be excluded.

"From what companies besides the Barber company did you get commissions?"

James Charles F. Murphy, Jr.

"We got commissions on asphalt and cement sales by the Allen American Cement Company, the Dragon Cement Company, the Knickerbocker Cement Company—I don't recall any others."

Mr. McGuire, who is interested with you in the bonding business."

"James K. McGuire, Edward S. McGuire, Charles M. McGuire, my brothers, and those with whom we have arrangements."

"And with whom do you have an arrangement?"

"With Charles F. Murphy, Jr."

"What is the arrangement?"

"He represents in New York the same company that we do. If he gets a bond I have an interest in it, and if I get a bond he has an interest in it."

"Are you competitors?"

"What do you mean, are we competitors?"

The District Attorney explained and Mr. McGuire acknowledged that he and Charles F. Murphy, Jr. were not competitors.

"What company do you represent?" asked the Chief Magistrate.

"The United States Fidelity and Guarantee Company."

"And Mr. Murphy?"

"The United States Fidelity and Guarantee Company."

"What other companies are there?"

"There are ten or twelve companies that go on contractors' bonds. I don't know how much of the business is done by you."

"The amount my office does is about 25 per cent of the business in highway bonding and about 25 per cent in canal bonding."

"And Mr. Murphy?"

"That is included in our business. We share up."

"How did you come to make this arrangement?" asked Mr. Whitman.

"We considered for several years the

ONE DAY OF THE JOHN DOE INVESTIGATION

George H. McGuire told of offering to trade road contracts for campaign contributions.

The name Murphy was brought out for the first time when McGuire said the leader's nephew was his partner in the handling of contractors.

Henry P. Burgard told of checks turned over to the Democratic committee in this city.

Other contractors described Everett Fowler's method of collecting campaign contributions. They all bore out Seneca P. Hull's story.

McGuire said that others besides the Barber Asphalt Company were willing to pay him to get contracts.

The passing of money and offers to sell contracts in this city removed all doubt of Mr. Whitman's jurisdiction.

Evidence regarding the Barber Asphalt Company's contracts was heard by the Grand Jury.

opening of a branch office in New York. I realized the drawbacks in such a plan and I decided on the partnership. I sought Mr. Murphy and we agreed to share the expenses and divide the commissions on State business. The arrangement was not to apply to the local business either of us had built up prior to that time. It embraced all other business and would be on canals, highways, subways, aqueducts and the subway in New York.

"I have known Murphy for many years. I don't think he ever had an office in Albany. He went up there himself and tried to get business. We didn't write the larger state of the business because up to this year the Fidelity and Casualty Company had an agreement under which the contractors worked and were bonded. The contractors were free of this agreement this year and our business has increased, but I think we have not had more than 25 per cent of it. This is subject to verification."

"What are the other companies that do a big business?"

"The Fidelity Deposit Company, represented by Joseph D. Flynn, and the New England Casualty Company, represented by Rose and Kernan. Miller of Buffalo appears for the Fidelity and Casualty Company. In 1911 he wrote 90 per cent of the business."

This concluded McGuire's testimony. He will not be called again until a week from next Tuesday.

Henry P. Burgard was the first witness called yesterday. He is now the Democratic State committee man from Erie county, having defeated William H. Fitzpatrick, the organization leader, at the primaries last fall. He said he had a \$250,000 mortgage canal contract on the Oswego River and contracts for two roads in Erie county.

Contributed for Twenty Years.

He said he had contributed to the campaign fund for twenty years and that in 1911 he contributed \$1,000, which was sent to Arthur S. McLean, the treasurer

of the Democratic State committee. He did not contribute to the State committee in 1912 and 1913, but he did deliver checks to the amount of \$5,000 in 1912. Here is his story:

"I delivered checks for \$1,000 and for \$5,000 in 1912 to Norman E. Mack at the State committee headquarters, at 1 West Thirty-fourth street, New York. Here Smith of Fulton, Oswego county, a consulting engineer, brought them to my office in Fulton and asked me to turn them over to the State committee. They were drawn to the order of Arthur A. McLean and were signed by Smith. He is a contractor as well as a consulting engineer."

"He told me the reason was that he was interested in the canals in Oswego county and wanted me to request that the \$1,000 check be sent back. They told me at headquarters in West Thirty-fourth street that they couldn't do that and requested me to leave both checks. Norman E. Mack, George M. Palmer and John A. Mason, Gov. Dix's secretary, were there. I don't remember which one of them said the money must stay in New York, but one of them did."

Four contractors were called as witnesses yesterday to show how Everett Fowler's system of campaign collections worked. They were John Weidman of Marcellus, Guy B. Dickinson of Syracuse, Charles O. McCombs of Syracuse and William J. Burns of Syracuse. They are all enrolled Republicans and declared they were not the least bit interested in the success of the Democratic State ticket.

"They told how they got letters from William H. Kelley of Syracuse asking them to come to his office to meet Fowler. They either ignored the first letter and received a second, just as Seneca P. Hull of Cortland did, or they were called on the telephone after they did not respond to the first letter. They all contributed, but none of them was threatened."

They merely said that they thought it would help them in their business as State contractors if they did contribute. The checks, which were made out to Norman E. Mack, all took the same course as that of Hull.

Weidman gave \$250 in 1911 and \$150 in 1912. Dickinson gave \$200 in 1911 and \$150 in 1912. McCombs gave \$200 in 1911 and none in 1912. Mr. Burns gave \$200 in 1911 and \$200 in 1912 to the Democratic committee in his county.

The hearing before Chief Magistrate McAdams will be resumed next Monday.

McGuire was a witness before the Grand Jury yesterday. No action was taken on the testimony given by him. It is understood that he covered practically the same ground as he did in his testimony before the Chief Magistrate in the afternoon.

STATEMENT BY MR. HENNESSY

Tells Why He Has Gone to Albany at This Time.

ALBANY, Nov. 21.—John A. Hennessy in answer to requests from newspaper men who had asked him why he was in Albany yesterday and today said:

"Several New York city newspapers published a story on Wednesday morning that after a conference between Gov. Glynn and James W. Osborne rumors were circulated that my hands were not clean of graft and that my operations in the Highway Department would show some connection with State contractors. In one New York city newspaper the impression was plainly conveyed that some

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